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For Immediate Release

CHAIRMAN PAI HEARS FROM SMALL PROVIDERS THAT HAVE BEEN HURT BY TITLE II

Small Businesses Convey Frustrations with Heavy-Handed Government Regulation and Praise Restoring Internet Freedom Order

WASHINGTON, December 8, 2017—Yesterday, Federal Communications Commission Chairman Ajit Pai held a series of telephone calls with small Internet service providers across the country—from Oklahoma to Ohio, from Montana to Minnesota. They told him how the FCC's 2015 *Title II Order* had harmed their businesses and why it is important to them that heavy-handed government regulation of the Internet be eliminated. Chairman Pai issued the following statement about his conversations:

"I appreciated the opportunity to speak with small providers across the country to hear how the FCC's 2015 rules are impacting them on a day-to-day basis. One constant theme I heard was how Title II had slowed investment and injected regulatory uncertainty into their business plans—in short, heavy-handed regulation is making it harder for smaller providers to close the digital divide in rural America. By lightening the regulatory burden from Washington, we will unleash providers to do what they do best: serve their communities and provide broadband access to residents across the country.

"I heard from Dave Giles, CEO of Invisimax, which provides Internet access to 75 communities across Minnesota and North Dakota. Dave has been in business for 10 years and told me about the changes he has seen firsthand and his desire to continue investing to keep up with the pace of technology. He also noted that regulation has forced him to spend more on attorneys and consultants instead of consumers over the last two years. Rolling back Title II would allow him to grow his business and have greater confidence in making investments.

"Mike Whelan, majority owner of AirLink Services, which covers rural areas in Oklahoma, said that the *Title II Order* had caused him to invest less than he would have otherwise and caused tremendous uncertainty. He said that he wants clear rules of the road and noted the proposed transparency provisions in the *Restoring Internet Freedom Order* are 'easy for each of us to understand and follow.'

"Mark Radabaugh, the owner of Ohio's Amplex Internet, took issue with the vague Internet conduct standard. If Title II regulations were to be repealed, he said he wouldn't have to spend money consulting with his lawyers to explain it to him. He also noted that he doesn't see repealing Title II as harming consumers in any way.

"As a small rural company offering broadband Internet access, cable, and voice services to residents in rural Northwest Minnesota, Richard Sjoberg of Sjoberg's Inc. said that Title II was 'terribly regressive for the small operators.' He noted that it had slowed down investment for his company, which was unfortunate because he thought providers should be getting out into rural areas and serving customers. In addition, he saw the interest rate charged by his bank increase because of the uncertainty over the last two years.

"I also spoke with Jason Williams, Chief Executive Officer of Blackfoot in Missoula, Montana. The one thing we are absolutely not is a public utility,' he said, while also noting that the current rules are getting in the way of him forming innovate partnerships. He said the more money he spends on consultants, the less money he spends putting fiber in the ground. He also noted the transparency rule would be easy to comply with and important for consumers so they know about the service they are purchasing."

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